

NEWS

TENNESSEE DEPARTMENT OF REVENUE

500 Deaderick Street – Andrew Jackson State Office Building – Nashville, TN 37242

NEWS RELEASE

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August 2002 collections of the Tennessee Department of Revenue were \$602,938,826, an increase of \$50,891,445 or 9.2 percent after adjusting August 2001 total collections to account for a windfall in motor vehicle fuel collections. Without the adjustment, collections increased \$24,322,960 or 4.2 percent.

Sales and use tax collections were \$421,658,291, up \$40,108,785 or 10.5 percent over August 2001 collections. Tax rate increases, in effect for the second half of the tax period, accounted for most of the increased collections, with \$38,821,670 due to the 1% tax increase and \$1,699,824 due to the single article tax.

The combined franchise and excise tax collections were \$20,719,028, up \$3,464,121 or 20.1 percent when compared to August 2001 combined collections. Separately, the franchise tax collections were \$12,675,208, down \$789,773 or 5.9 percent from last year. Excise tax collections of \$8,043,820 were up \$4,253,894 or 112.2 percent over August 2001 collections.

Inheritance, gift and estate collections were \$14,355,759, an increase of \$7,030,684 or 96.0 percent when compared to last year's collections.

Motor vehicle fuel tax collections were \$15,569,937, a decline of \$21,893,337 or 58.4 percent from reported August 2001 collections. However, the August 2001 collections were augmented by a \$26,568,485 windfall. Correcting for this windfall results in an increase in motor vehicle fuel tax collections of \$4,675,148 or 42.9 percent when comparing this month to the same month last year.

Gasoline tax collections were \$54,178,751 in August 2002, \$3,576,298 or 7.1 percent more than August 2001 collections.

Gross receipts tax collections fell \$3,141,479 or 23.8 percent from last year's collections to \$10,062,171.

Hall income tax refunds exceeded collections, resulting in net collections of -\$614,719, a decrease of \$2,838,672 or 127.6 percent compared with collections from the same period a year ago.

Petroleum special tax collections were \$5,308,214, down \$2,259,338 or 29.9 percent from comparable collections one year ago.